



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

FOR IMMEDIATE RELEASE
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Tri Counties Bank, Chico, California, Assumes All of the Deposits of Granite Community Bank, N.A., Granite Bay, California

Granite Community Bank, N.A., Granite Bay, California, was closed today by the Office of the Comptroller of the Currency, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Tri Counties Bank, Chico, California, to assume all of the deposits of Granite Community Bank, N.A.

Due to the Memorial Day holiday, the three branches of Granite Community Bank, N.A. will reopen on Tuesday as branches of Tri Counties Bank. Depositors of Granite Community Bank, N.A. will automatically become depositors of Tri Counties Bank. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship to retain their deposit insurance coverage. Customers of Granite Community Bank, N.A. should continue to use their existing branch until they receive notice from Tri Counties Bank that it has completed systems changes to allow other Tri Counties Bank branches to process their accounts as well.

This evening and over the weekend, depositors of Granite Community Bank, N.A. can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of March 31, 2010, Granite Community Bank, N.A. had approximately \$102.9 million in total assets and \$94.2 million in total deposits. Tri Counties Bank did not pay the FDIC a premium for the deposits of Granite Community Bank, N.A. In addition to assuming all of the deposits of the failed bank, Tri Counties Bank agreed to purchase essentially all of the assets.

The FDIC and Tri Counties Bank entered into a loss-share transaction on \$89.3 million of Granite Community Bank, N.A.'s assets. Tri Counties Bank will share in the losses on



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-126-2010

the asset pools covered under the loss-share agreement. The loss-share transaction is projected to maximize returns on the assets covered by keeping them in the private sector. The transaction also is expected to minimize disruptions for loan customers. For more information on loss share, please

visit: <http://www.fdic.gov/bank/individual/failed/lossshare/index.html>.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-523-8173. The phone number will be operational this evening until 9:00 p.m., Pacific Daylight Time (PDT); on Saturday from 9:00 a.m. to 6:00 p.m., PDT; on Sunday from noon to 6:00 p.m., PDT; and thereafter from 8:00 a.m. to 8:00 p.m., PDT. Due to the Memorial Day holiday on Monday, the phone number only will be operational from 8 a.m. to 12 noon PDT on that day. Interested parties also can visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/graniteca.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$17.3 million. Tri Counties Bank's acquisition of all the deposits was the "least costly" resolution for the FDIC's DIF compared to all alternatives. Granite Community Bank, N.A. is the 77th FDIC-insured institution to fail in the nation this year, and the sixth in California. The last FDIC-insured institution closed in the state was 1st Pacific Bank of California, San Diego, on May 7, 2010.
